

# Child Welfare

Analyst: Castro

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2006 Total App</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Approp</b>	<b>FY 2008 Request</b>	<b>FY 2008 Gov Rec</b>
<b>BY FUND CATEGORY</b>					
General	15,962,300	15,869,500	16,482,000	19,725,600	18,539,500
Dedicated	1,797,700	1,528,600	675,200	853,100	849,600
Federal	29,194,600	31,282,500	33,776,100	32,473,400	32,262,800
<b>Total:</b>	<b>46,954,600</b>	<b>48,680,600</b>	<b>50,933,300</b>	<b>53,052,100</b>	<b>51,651,900</b>
Percent Change:		3.7%	4.6%	4.2%	1.4%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	22,482,800	21,176,500	21,630,200	23,620,600	22,787,500
Operating Expenditures	8,314,300	9,652,900	8,399,400	8,867,600	8,436,100
Capital Outlay	64,500	304,900	281,000	1,115,200	1,035,400
Trustee/Benefit	16,093,000	17,546,300	20,622,700	19,448,700	19,392,900
<b>Total:</b>	<b>46,954,600</b>	<b>48,680,600</b>	<b>50,933,300</b>	<b>53,052,100</b>	<b>51,651,900</b>
Full-Time Positions (FTP)	391.27	374.12	385.47	397.44	383.44

## Division Description

The Child Welfare program is responsible for child protection, foster care, and adoptions. The funding for children's mental health was transferred to its own program beginning in fiscal year 2006.

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2007 Original Appropriation</b>	<b>385.47</b>	<b>16,482,000</b>	<b>50,933,300</b>	<b>385.47</b>	<b>16,482,000</b>	<b>50,933,300</b>
7. Increase Receipts Spending Authority	0.00	0	363,900	0.00	0	363,900
<b>FY 2007 Total Appropriation</b>	<b>385.47</b>	<b>16,482,000</b>	<b>51,297,200</b>	<b>385.47</b>	<b>16,482,000</b>	<b>51,297,200</b>
Non-Cognizable Funds and Transfers	(2.03)	(240,600)	(2,240,600)	(2.03)	(240,600)	(2,240,600)
<b>FY 2007 Estimated Expenditures</b>	<b>383.44</b>	<b>16,241,400</b>	<b>49,056,600</b>	<b>383.44</b>	<b>16,241,400</b>	<b>49,056,600</b>
Removal of One-Time Expenditures	0.00	0	(381,000)	0.00	0	(381,000)
<b>FY 2008 Base</b>	<b>383.44</b>	<b>16,241,400</b>	<b>48,675,600</b>	<b>383.44</b>	<b>16,241,400</b>	<b>48,675,600</b>
Benefit Costs	0.00	511,000	598,000	0.00	0	0
Inflationary Adjustments	0.00	319,700	391,400	0.00	13,600	16,100
Vehicle Replacement	0.00	645,000	1,035,400	0.00	645,000	1,035,400
Change in Employee Compensation	0.00	576,700	669,500	0.00	826,600	956,400
FMAP Rate Change	0.00	561,700	919,400	0.00	561,700	919,400
<b>FY 2008 Program Maintenance</b>	<b>383.44</b>	<b>18,855,500</b>	<b>52,289,300</b>	<b>383.44</b>	<b>18,288,300</b>	<b>51,602,900</b>
29. Rules Changes in Foster Care System	0.00	(30,000)	(51,000)	0.00	(30,000)	(51,000)
30. Family Service Technicians for Regions	14.00	618,900	713,800	0.00	0	0
39. Additional On-Going Federal Monies	0.00	0	100,000	0.00	0	100,000
42. Replace TANF Funding	0.00	281,200	0	0.00	281,200	0
<b>FY 2008 Total</b>	<b>397.44</b>	<b>19,725,600</b>	<b>53,052,100</b>	<b>383.44</b>	<b>18,539,500</b>	<b>51,651,900</b>
Change from Original Appropriation	11.97	3,243,600	2,118,800	(2.03)	2,057,500	718,600
% Change from Original Appropriation		19.7%	4.2%		12.5%	1.4%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2007 Original Appropriation</b>					
	385.47	16,482,000	675,200	33,776,100	50,933,300

## 7. Increase Receipts Spending Authority

The Child Welfare program is requesting additional spending authority for monies received after the budget setting process last fiscal year. The breakdown of additional cash received by the Child Welfare program is as follows: Casey Family Program--\$200,000; funding is to be used to support family preservation activities for foster parents and children as well as training for staff and foster families. IV-E and TANF funds--\$39,900. Receipts from Ada County--\$37,200; funding from Ada County Juvenile Court to pay for a staff person at DHW to work with county probation staff related to common child clients. United Way Treasure Valley--\$32,900; funding is for the Idaho Careline 2-1-1. Third party or sliding scale receipts-- \$53,900. The program anticipates collecting additional receipts from third party payers or sliding fee clients for services provided by department staff.

The allocation breakdown is \$124,000 for personnel costs; \$39,900 for operating expenditures; and \$200,000 for trustee and benefits payments.

Agency Request	0.00	0	363,900	0	363,900
Governor's Recommendation	0.00	0	363,900	0	363,900

<b>FY 2007 Total Appropriation</b>					
Agency Request	385.47	16,482,000	1,039,100	33,776,100	51,297,200
Governor's Recommendation	385.47	16,482,000	1,039,100	33,776,100	51,297,200

## Non-Cognizable Funds and Transfers

### NON-COGNIZABLE INCREASES & OBJECT TRANSFERS

Increases federal authority by \$100,000. Transfers \$334,200 from trustee and benefits payments to operating expenditures. Agency states transfer was made to cover increased costs in university training contracts.

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### PROGRAM TRANSFERS

Transfers out 5.30 FTP; \$154,800 in personnel costs; and \$27,800 in operating expenditures to the Self Reliance program. For fiscal year 2008 budget funds are permanently transferred to a new division and program called Service Integration. Transfers out \$210,300 of General Fund to Indirect Support Services. Transfers out \$99,400 in personnel costs; \$79,400 from operating expenditures; and \$1,400,000 in trustee and benefit payments from the Child Welfare budget to the Childrens Mental Health budget. Transfers out \$700,000 from Child Welfare to Self-Reliance Benefits for emergency assistance. Transfers in 1.0 FTP from Indirect Support Services. Transfers in 2.27 FTP and \$331,100 in personnel funding for transfers associated with the formation of the Division of Behavioral Health.

Agency Request	(2.03)	(240,600)	0	(2,000,000)	(2,240,600)
Governor's Recommendation	(2.03)	(240,600)	0	(2,000,000)	(2,240,600)

<b>FY 2007 Estimated Expenditures</b>					
Agency Request	383.44	16,241,400	1,039,100	31,776,100	49,056,600
Governor's Recommendation	383.44	16,241,400	1,039,100	31,776,100	49,056,600

## Removal of One-Time Expenditures

Remove funding provided for one-time items.

Agency Request	0.00	0	(194,900)	(186,100)	(381,000)
Governor's Recommendation	0.00	0	(194,900)	(186,100)	(381,000)

<b>FY 2008 Base</b>					
Agency Request	383.44	16,241,400	844,200	31,590,000	48,675,600
Governor's Recommendation	383.44	16,241,400	844,200	31,590,000	48,675,600

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Benefit Costs</b>					
Restores funding for premium holidays taken in FY 2007 estimated at \$865 per employee. Also includes the employer-paid portion of estimated changes in employee benefit costs including \$350 per employee for health insurance.					
This decision unit also fund shifts \$103,100 from federal funds to state General funds.					
Agency Request	0.00	511,000	1,400	85,600	598,000
<i>The Governor recommends that all health insurance related adjustments be funded by program changes or utilizing reserves available in the group insurance contract. As the PERSI Board voted to maintain the current contribution rate for the upcoming fiscal year, no adjustment to retirement rates is necessary.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>Inflationary Adjustments</b>					
This customized inflationary adjustment is a 3.97% increase over the operating base, and a 0.304% increase over the trustee and benefit payments base. It is calculated by subtracting statewide allocation plan costs and applying a 1.81% increase for all remaining operating costs except: communication costs (17.55%), administrative supplies (15.00%), fuel & lubricant costs (27.05%), and rental & operating leases (1.08%).					
This decision unit also fund shifts \$200,200 in operating inflationary increases and \$16,300 in trustee and benefit payments inflationary increases from federal spending authority to the General Fund.					
Agency Request	0.00	319,700	3,700	68,000	391,400
<i>Inflationary increases are provided only for contractual obligations. Other inflationary requests are not recommended.</i>					
Governor's Recommendation	0.00	13,600	0	2,500	16,100
<b>Vehicle Replacement</b>					
Replaces 73 vehicles at an average cost of \$13,700 per vehicle. Total cost is \$614,700 General Fund and \$385,100 federal funds. Replaces 68 computers at an average cost of \$523 per computer. Total cost is \$30,300 General Fund and \$5,300 federal funds.					
Agency Request	0.00	645,000	0	390,400	1,035,400
Governor's Recommendation	0.00	645,000	0	390,400	1,035,400
<b>Change in Employee Compensation</b>					
Reflects the calculated cost of a 3.5% salary increase for permanent and group positions. This decision unit also reflects a fund shift of \$287,300 from federal funds to the General Fund.					
Agency Request	0.00	576,700	3,800	89,000	669,500
<i>The Governor recommends a compensation increase of 5% to be distributed based on merit.</i>					
Governor's Recommendation	0.00	826,600	5,400	124,400	956,400
<b>FMAP Rate Change</b>					
Includes an increase in General Funds of \$23,900 and a corresponding decrease in federal funds due to a Federal Medical Assistance Program match rate decrease of 70.248% to 69.993%. Also provides an increase of \$815,600 in General Fund and \$103,800 in federal funds for trustee and benefits payments associated with providing foster care.					
Agency Request	0.00	561,700	0	357,700	919,400
Governor's Recommendation	0.00	561,700	0	357,700	919,400
<b>FY 2008 Program Maintenance</b>					
Agency Request	383.44	18,855,500	853,100	32,580,700	52,289,300
Governor's Recommendation	383.44	18,288,300	849,600	32,465,000	51,602,900

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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## 29. Rules Changes in Foster Care System

This line item represents three changes to the foster care system and is tied to two rules changes that must be approved in order for the saving to be realized. The first rule change is related to out-of-state adoption placements. The department is requesting to eliminate the need for face-to-face contact with children placed out-of-state for adoption. The department estimates a reduction in travel costs of \$29,000 General Fund and \$21,000 federal funds if the rule is approved. Health and Welfare states that there are approximately 50 children placed out of state each year; and estimated costs for annual face-to-face visits is \$1,000 per visit.

The second rule change pertains to private adoption agencies; the department is proposing changing the current rule to eliminate the ability for private adoption agencies to access state adoption subsidies for parents that adopt through the private agency. The current state adoption subsidy is \$250 per child per month. Last fiscal year there were five children that qualified through private adoption agencies. The annual savings the department estimates to the state is \$15,000.

The final item included in this request is \$14,000 to be used for dues to a new commission created by the Interstate Compact on the Placement of Children (ICPC). The department states that this new commission is a better version of a previously established program that helps states place children in other states. The department anticipates that the new commission will speed up the adoption process because the new commission will now have financial resources.

The net effect of the two proposed rule changes and increase in dues would reduce General Fund operating expenditures by \$15,000, reduce General Fund trustee and benefit payments by \$15,000, and reduce federal operating expenditures by \$21,000 for a total net reduction of \$51,000.

Agency Request	0.00	(30,000)	0	(21,000)	(51,000)
Governor's Recommendation	0.00	(30,000)	0	(21,000)	(51,000)

## 30. Family Service Technicians for Regions

The Child Welfare program is requesting an additional 14.0 Family Services Technicians. The annual salary calculated for each position is \$26,312 plus benefits. The operating costs are \$8,000 per position, and the one-time capital outlay costs are \$5,700 per position. The Family Services Technicians assists Social Workers in case management. Typically a Family Services Technician may assist with transportation, monitoring parent visitations, educating families on home management and parenting, and research related to risk assessments. The department states that the need for additional technicians is directly related to caseload increases in the number of child welfare cases.

The breakdown of funding is: personnel costs--\$522,000 (\$452,600 General Fund, \$69,400 federal funds); operating expenditures--\$112,000 (\$97,100 General Fund, and \$14,900 federal funds); capital outlay--\$79,800 (\$69,200 General Fund and \$10,600 federal funds). Capital outlay costs are a one-time request.

Agency Request	14.00	618,900	0	94,900	713,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

## 39. Additional On-Going Federal Monies

The department is requesting an additional \$1,375,400 (\$489,600 personnel costs; \$785,800 operating expenditures; \$100,000 trustee and benefit payments) of on-going federal spending authority department wide. The Child Welfare portion of that request is \$100,000 for trustee and benefit payments. The department anticipates an additional \$100,000 in federal funds to match the \$200,000 of Casey Family Foundation funds received in fiscal year 2007.

Agency Request	0.00	0	0	100,000	100,000
Governor's Recommendation	0.00	0	0	100,000	100,000

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>42. Replace TANF Funding</b>					
The department is requesting to shift \$281,200 of trustee and benefit payments to the General Fund. Until this year the department utilized TANF (Temporary Assistance to Needy Families) federal funding to support foster families during the first thirty days of foster parenting while their IV-E federal foster care payment eligibility was being determined. The TANF funding was also used to support foster families through payment support when the foster child did not qualify for IV-E funds. The federal government has discouraged the use of TANF funds for these purposes so the department is requesting a fund shift from federal funds to the state General Fund in the amount of \$281,200 to cover the funding change.					
Agency Request	0.00	281,200	0	(281,200)	0
Governor's Recommendation	0.00	281,200	0	(281,200)	0
<b>FY 2008 Total</b>					
Agency Request	397.44	19,725,600	853,100	32,473,400	53,052,100
Governor's Recommendation	383.44	18,539,500	849,600	32,262,800	51,651,900
Agency Request					
Change from Original App	11.97	3,243,600	177,900	(1,302,700)	2,118,800
% Change from Original App	3.1%	19.7%	26.3%	(3.9%)	4.2%
Governor's Recommendation					
Change from Original App	(2.03)	2,057,500	174,400	(1,513,300)	718,600
% Change from Original App	(0.5%)	12.5%	25.8%	(4.5%)	1.4%